

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 6210**

**BILL NUMBER:** SB 222

**NOTE PREPARED:** Mar 21, 2013

**BILL AMENDED:** Feb 7, 2013

**SUBJECT:** Unclaimed Property.

**FIRST AUTHOR:** Sen. Steele

**FIRST SPONSOR:** Rep. Koch

**BILL STATUS:** 2<sup>nd</sup> Reading - 2<sup>nd</sup> House

**FUNDS AFFECTED:** X GENERAL  
X DEDICATED  
FEDERAL

**IMPACT:** State

**Summary of Legislation:** This bill provides that certain property left unclaimed in a safe deposit box for three years is presumed abandoned. It permits electronic submission of certain documents in connection with unclaimed property, and permits the Attorney General to determine the manner in which payment or delivery of certain property is made. The bill also authorizes the Attorney General to deduct certain expenses from proceeds of property paid to the owner.

**Effective Date:** July 1, 2013.

**Explanation of State Expenditures:** This bill will likely reduce administrative expenses for the Unclaimed Property Division in the Attorney General's Office. It is estimated that about \$20,000 annually in operational savings could be achieved by requiring electronic submission of reports. Allowing the Attorney General to determine the manner in which payment or delivery of certain property is made should also result in savings, though it is unknown to what extent.

**Explanation of State Revenues:** This bill reduces the time frame from five to three years for claiming certain property in a safe deposit box, which could result in a one-time additional two years of revenue for this property. This change could result in an increase of about \$112,000 to \$180,000 to the Abandoned Property Fund in FY 2014.

Unclaimed funds remitted to the Office of the Attorney General are deposited into the state Abandoned Property Fund. If the balance of the Abandoned Property Fund exceeds \$500,000, the Treasurer of State transfers the excess into the state General Fund.

The table below provides the revenue from abandoned property that has been collected since FY 2008.

<b>Fiscal Year</b>	<b>Abandoned Property Revenue</b>
FY 2008	\$69 M
FY 2009	\$65 M
FY 2010	\$56 M
FY 2011	\$77 M
FY 2012	\$103 M

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Attorney General.

**Local Agencies Affected:**

**Information Sources:** Thomas Bodin, Attorney General's Office, 317-234-2255; Legislative Services Agency, *Indiana Handbook of Taxes, Revenues, and Appropriations*, Fiscal Year 2012.

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